

§ 752.4

15 CFR Ch. VII (1–1–05 Edition)

§ 752.4 Eligible countries.

(a) *General provisions.* All countries are eligible under the SCL except:

(1) Cuba, Iran, Iraq, Libya, North Korea, Sudan, and Syria.

(2) Other countries that BIS may designate on a case-by-case basis as ineligible to receive items under the SCL.

(b) *Servicing prohibitions.* Under the SCL, you may not service any item when you know that the item is owned or controlled by, or under the lease or charter of, entities in countries identified in paragraphs (a)(1) and (a)(2) of this section or any national of such countries.

§ 752.5 Steps you must follow to apply for an SCL.

(a) *Step One: Establish applicant reliability—(1) Pre-application consultation.* To apply for an SCL, BIS must determine your reliability as a potential SCL holder. BIS usually does this through consultation with company officials and a review of the criteria identified in paragraph (a)(2) of this section. To determine whether your company requires a consultation before you apply for an SCL, contact BIS at the address, phone, or telefacsimile numbers included in § 752.17 of this part.

(2) *Criteria for determining eligibility.* BIS will review the following criteria to help determine SCL holder eligibility:

(i) Evidence of past licensing history and projected, continuous large volume exports;

(ii) Reliability of all parties relative to their compliance with the EAR;

(iii) Commitment of all parties of the necessary resources to implement and maintain an adequate ICP; and

(iv) Evidence of all parties knowledge of all provisions of the EAR.

(b) *Step Two: Establish consignee reliability—(1) Requirements.* You must make an initial determination of the reliability of all consignees that are listed on your application for an SCL, based upon the criteria described in paragraph (b)(2) of this section.

(2) *Determining reliability.* The criteria that you should take into consideration include, but are not limited to, the following:

(i) *Criteria.* (A) The proposed consignee has a satisfactory record established through BIS pre-license checks, or extensive experience as a consignee under any license issued by BIS;

(B) The proposed consignee is a wholly-owned subsidiary or a controlled-in-fact affiliate of the applicant or of a consignee that is already approved on an SCL. See part 772 of the EAR for a definition of controlled-in-fact; or

(C) You have evidence of an established, on-going business relationship with the proposed consignee.

(ii) *Exception.* The provisions of paragraph (b)(2)(i) of this section do not preclude the authority of BIS to determine the reliability and eligibility of a proposed consignee. BIS may, based upon any negative information on the proposed consignees, deny a proposed consignee.

(c) *Step Three: Prepare your documentation.* Complete Form BIS-748P, Multipurpose Application, Form BIS-748P-A, Item Appendix, Form BIS-748P-B, End-User Appendix, an ICP, a comprehensive narrative statement, Form BIS-752, Statement by Consignee in Support of Special Comprehensive License, Form BIS-752-A, Reexport Territories, and all applicable certifications. Submit this documentation to BIS at one of the addresses included in § 752.17 of this part.

(1) *Form BIS-748P, Multipurpose Application, and Form BIS-748P-A, Item Appendix.* You must complete Form BIS-748P and Form 748P-A according to the instructions found in Supplement Nos. 1 and 2 of this part.

(2) *Form BIS-748P-B, End-User Appendix.* You must identify end-users on Form BIS-748P-B if you are requesting approval to export or reexport items controlled for nuclear nonproliferation or chemical and biological control reasons.

(3) *ICP.* You must provide a copy of your proposed ICP as required by § 752.11 of this part. You must indicate whether any of the elements of the ICP will not be implemented and explain why these elements were deemed inapplicable. Existence of a properly constructed ICP will not relieve you of your responsibility to comply with requirements of all applicable regulations pertaining to your SCL;